

**Town of Essex
29 West Avenue
Essex, CT – Meeting Room A**

**Board of Finance
March 20, 2014**

MINUTES

In attendance: Keith Crehan, Chairman, Don Mesite, Jeffrey Woods, Campbell Hudson, Mary-Louise Polo and Fred Vollono

Others in attendance: Norman Needleman, Selectman
James Francis, Treasurer
Kelly Sterner, Finance Director
Yvonne Roziak, Recording Secretary

Essex Elementary Board of Education: Lon Seidman, Chairman
DG Fitton
Loretta McCluskey
Adam Conrad
Mark Watson
Essex Elementary School: Scott Jeffrey, Principal
Deb O'Donnell, Assistant Principal

Meeting was called to order at 7:05 p.m.

APPROVAL OF AGENDA:

Motion made by Campbell Hudson to approve agenda, seconded by Jeffrey Woods. Passed unanimously. Motion carried.

APPROVAL OF MINUTES:

Campbell Hudson noted that Fred Vollono was in attendance at the meeting on February 20, 2014 and to correct the minutes as noted.

Motion made by Campbell Hudson to approve the minutes as amended, seconded by Don Mesite. Passed unanimously. Motion carried.

FINANCIAL REPORT:

Revenues

Current Property Tax collections of \$1,314,917 for the month of February bring the total YTD collections to \$20,565,338 or 97.61% of budget. This is slightly short of the collection rate as of February month-end the prior year but higher in absolute dollars. We were pleasantly surprised by the Municipal Grant in Aid from the State of Connecticut in the amount of \$70,111.00. During the State biannual budget process last year, this new municipal revenue category was not finalized/guaranteed by the time the Town completed its budget process in May. The revenue does come with some strings attached as it must be used to fund particular types of expenditures (highway and infrastructure). Building Permits, Conveyance Taxes and Town Clerk fees all showed another strong month and are the primary reason that local revenues are already at 81.02% of full year budget amounts.

Expenditures

The impact of the numerous winter storms has resulted in significant deficits in several budget lines within the Highway Department budget. Plowing & Sanding total \$39,840.00 and is \$19,840.00 over budget. Salt & Sand expenditures of \$46,976.00 creates a budget overage of \$26,976.00. Hopefully we have seen the worst of winter, but the damage is done. Other budgets appear to be tracking well at this point with no other major areas of concern at this point. Costs for ceiling damage on the second floor of the Town Hall and the Auditorium caused by a leak in our aging room will be covered by insurance with the exception of the \$1,000.00 deductible.

Jeffrey Woods made a motion to approve the Financial Report, seconded by Don Mesite. Passed unanimously. Motion carried.

ESSEX ELEMENTARY SCHOOL BOARD OF EDUCATION BUDGET PRESENTATION:

Lon Seidman, Chair, EES BOE presented the Essex Elementary School Budget Summary. Mr. Seidman noted a significant decline in enrollment projections through 2019/2020. Other notable items were an increase of 58% in Special Education since 2007/2008. For FY 2014-2015 Out-of-District Placements will add \$89,552.00 to the budget. The retirement of a teacher and staff changes (including health benefits, unemployment and other measureable savings) helped to offset increases in Salary & Contractual, and Supervision District increases netting to a \$12,156.00 reduction in the Staff and Instructional portion of the budget request.

Looking back to the beginning of this year, Mr. Seidman noted that the 2013/2014 kindergarten estimation was off by an additional 10 children that were late enrollments and were not accounted for originally.

Scott Jeffrey, EES Principal, discussed the new NWEA Assessment Tools that will be used to assess grades 2-6 in Essex and grades 2-10 throughout the district. This assessment tool monitors student progress.

Mr. Seidman reviewed the Building and Supplies line items for on-going Painting costing \$10,000.00 and an additional \$20,000.00 to be added to the sinking fund for a total of \$40,000.00 for this year.

The total BOE budget request for FY 2014-2015 reflects an overall increase of \$107,396.00 or 1.41%.

The Board of Finance thanked Mr. Seidman and the Essex Elementary School Administrators for the presentation of the 2014-2025 School Budget.

SELECTMEN'S REPORT:

Main Street Investment Fund Grant – request for engineering design fees.

- A Budget Amendment Request for \$15,000.00 – The funds requested are for the engineering design costs associated with the Main Street Investment Fund Grant for infrastructure changes in Ivoryton Center. The grant funds of \$435,000.00 cannot be used for these costs.

Motion made by Jeffrey Woods to approve the transfer of an amount not to exceed \$15,000.00 from the Board of Finance Contingency budget line (10409-508400) for the engineering design fees for Ivoryton Center, seconded by Fred Vollono. Passed unanimously. Motion carried.

OLD BUSINESS - None

NEW BUSINESS:

Kelly Sterner, Finance Director, reminded the Board of the budget meeting next Thursday, 3/27 when the Board of Selectmen will present the Town Budget to the Board of Finance. Kelly indicated that several numbers have changed in the 2014-2015 Budget since the Board of Selectmen voted on their budget request. These include: an increase in healthcare insurance costs as well as an increase in Workmen's Comp insurance. These line items will be reviewed at the meeting on March 27, 2014.

COMMUNICATION AND CORRESPONDENCE - None

PUBLIC COMMENT - None

ADJOURNMENT:

Motion made by Mary-Louise Polo to adjourn at 7:50 p.m., seconded by Don Mesite. Passed unanimously. Motion carried.

Respectfully submitted,

Yvonne M. Roziak